

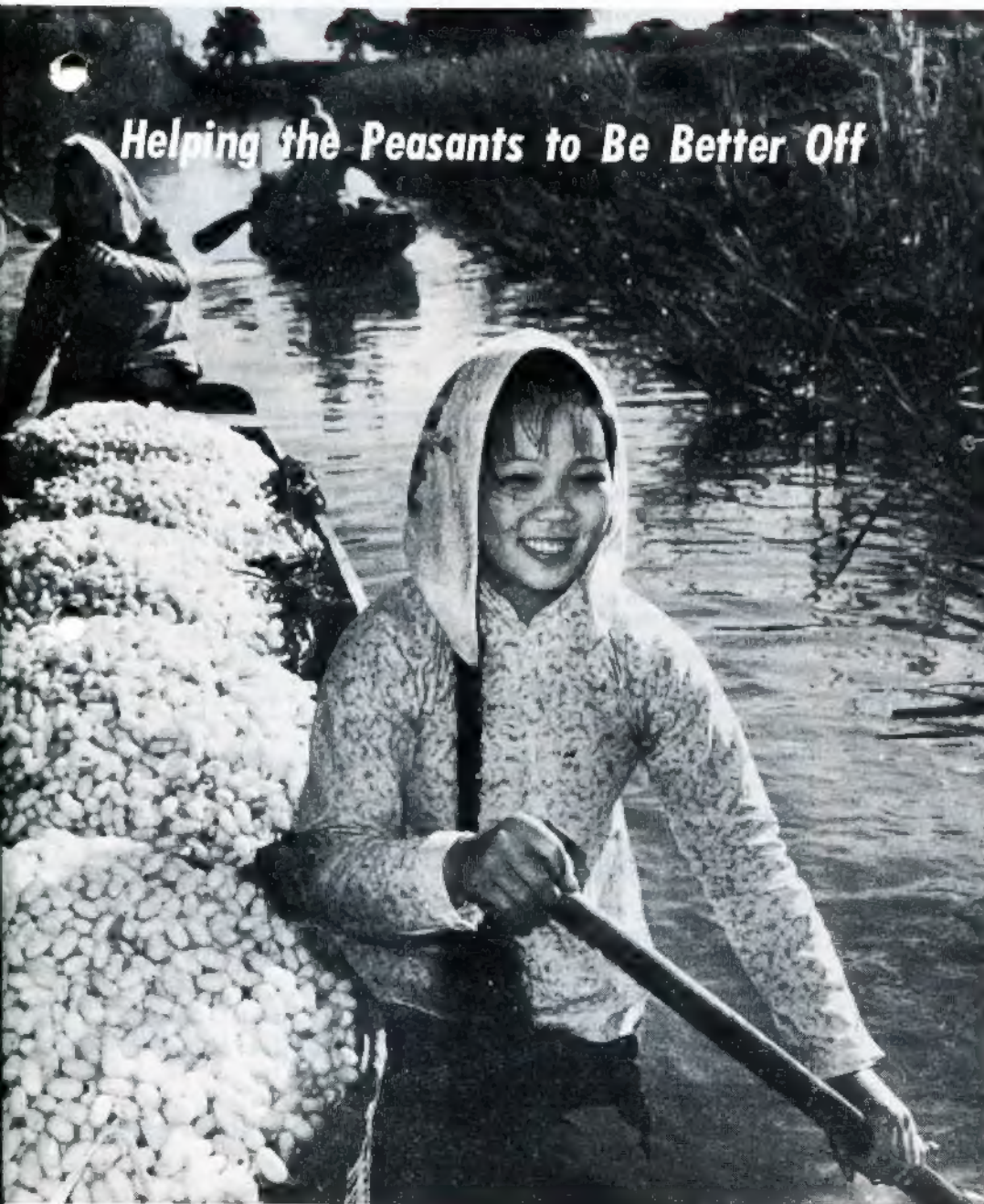
No. 3 January 19, 1981

# BEIJING REVIEW

北京周報

A CHINESE WEEKLY  
OF  
NEWS AND VIEWS

*Helping the Peasants to Be Better Off*



Socialism Is a  
Process



The Vietnamese  
Threat



## HIGHLIGHTS OF THE WEEK

### The Giant Gezhouba Project

A cofferdam has been thrown across China's largest river, the Changjiang (Yangtze). This is an initial step towards completing the huge multi-purpose water conservancy project in Hubei Province (p. 5).

### For Rural Prosperity

This week's Special Feature spotlights current rural policies and the changes they wrought. Peasants' views on past and present developments and an investigative report on the vicissitudes of a village in Shandong, east China (pp. 19-29).

### Socialism and Reforms

Socialist society undergoes constant change. It is necessary and natural to continually im-

prove political and economic institutions to push the pace of modernization (p. 16).

### A New Column Notes From the Editors —

### Viet Nam Strikes Again

The January 3 border intrusion into Thailand is part of Hanoi's scenario for military expansion in Southeast Asia (p. 10).

### Latin America in 1980

Review of developments on the continent where super-power interference and the struggle for democratization, for economic independence and against colonialism and hegemonism combine to produce a very complex situation (p. 14).

### Prejudice of an Imperialist

Mr. Ray Cline's absurdities about "two Chinas," Afghanistan and the Soviet Union could come from an old-time imperialist (p. 11).

### Cultural Scene

Beijing presents *Montserrat*, a French play about the Latin American hero Simon Bolivar; Hu Kun wins a prize in the Helsinki 4th Sibelius International (p. 30).



Shipping silkworm cocoons to the purchasing centres.

Photo by Lin Sunxing

## BEIJING REVIEW

北京周报

Published in English, French,  
Spanish, Japanese and  
German editions

Vol. 24, No. 3 January 19, 1981

### CONTENTS

#### NOTES FROM THE EDITORS 3

Sino-Soviet Relations — International Editor Guo Ji  
Free Markets — Economic Editor Jin Qi

#### LETTERS 4

#### EVENTS & TRENDS 5-9

The Changjiang Cofferdam at Gezhouba  
More Income for Peasants

#### Changes in Poor Villages

#### More Tourists

#### Implementation of New Marriage Law

#### Centenary of Death of Marx To Be Commemorated

#### Extravagant Weddings Criticized

#### More Foreign Economic Experts

#### INTERNATIONAL 10-15

#### Viet Nam Attacks Thailand Again — "Renmin Ribao" Commentator

#### Ray Cline's Imperialist Bias — Hua Xiu

#### U.S. in Economic Throes — Xinhua Correspondent Yu Enguang

#### Senegal: Senghor Passes on Power — "Beijing Review" news analyst Yi Fei

#### 1980 in Retrospect: Unrest in Latin America

#### ARTICLES & DOCUMENTS

How to Evaluate the Socialist System — Teng Wensheng and Jia Chunfeng 16

#### SPECIAL FEATURE

Let Some Localities and Peasants Prosper First  
Is This a Bourgeois Policy? — Our Commentator 19  
What the Peasants Say 23  
Back to the Right Track — Our Correspondent Wei Min 26

#### CULTURE & SCIENCE 30-31

Published every Monday in Beijing,  
The People's Republic of China

Distributed by GUOJI SHUDIAN,  
(China Publications Centre),  
P.O. Box 399, Beijing, China

Subscription prices (1 year):

Australia.....A.\$12.50 U.S.A....US\$13.50  
New Zealand...NZ.\$14.50 U.K.....£6.80  
Canada.....Can.\$15.60



Views on China's domestic situation and her foreign policy are as varied as they are numerous abroad. Some are misconceptions and some are mere speculations. Many readers have written to us for clarification. In this new column, our editors will give their personal opinions on these questions instead of replying to the letters separately.

### Sino-Soviet Relations

#### Is China afraid of being encircled by the Soviet Union?

It's a fact that the Soviet Union is menacing China. Soviet troops stationed along the Sino-Soviet borders has increased from 10 divisions during Khrushchov's time to 54 divisions today, totalling one million men. There are also Soviet troops in Mongolia, which is China's neighbour. The Soviet Union supports Viet Nam in the latter's aggression against Kampuchea, and threatens the peace and security of the ASEAN countries and the Asian-Pacific regions. Moreover, it has sent its troops to invade Afghanistan, which also has a common border with China. The Soviet Union's moves in our neighbouring countries are not only aimed at China but pose a threat to peace in Asia and the rest of the world.

Is China afraid of being encircled by the Soviet Union? China is a vast country, poor but vigorous and with enormous viability. As regards China's military strength, it is relatively backward in its equipment, but if the Soviet Union should start a war, it must be prepared to fight at least 20 years. More-

over, launching a war against China will not be an isolated matter. If the Soviet Union were to demolish our strategic weapons bases, it will run the risk of being the first to launch a war, and if it were to attack China's Xinjiang or northeast, that would mean its launching of a world war in China. We want peace but we are not afraid of war. Even if the Soviet Union were to take Beijing or even areas north of

the Huanghe River, we would still have two-thirds of our population and that would only be the beginning of the war.

China is not afraid of being encircled by the Soviet Union. Our analysis of Soviet moves in the Pacific, Southeast Asia and the Indian Ocean is based on an overall global strategy rather than China's own interests.

Whether there will be any change in Sino-Soviet relations mainly depends on whether the Soviet Union will change its social-imperialist policy and abandon its hegemonist ambitions. If China which is rather poor and backward in its military equipment now dares to stand up to Soviet hegemonist designs, what reasons are there to say that in the future when China will be more developed and stronger, it will compromise with hegemonism?

— International Editor  
Guo Ji

### Free Markets

**There are free markets now in China's cities and villages. Does this contradict with the socialist planned economy?**

Free markets which are common in the countryside have also appeared on a small scale in the cities. The activities and role of the market have increased and will continue to increase in China's economy. The free markets operate under government control and are limited in scale. There are some competition on the market, but they are also limited.

Free markets serve as a supplement to the planned economy. The two are not contradictory. In the past we believed that planned economy was all-embracing, but facts have proved that this is not so. In socialist economy, free markets may play an active role and will not change the nature of China's socialist planned economy. There might be activities on the market not under proper control, but these can be checked without difficulty.

— Economic Editor Jin Qi



# LETTERS

## Basic Economic Law of Socialism

I've read with interest about "demand" and "consumption" in socialist China in the article "On the Basic Economic Law of Socialism" (No. 41, 1980) by the economist Wu Jiang. I learnt much from the clearly elaborated article about how to raise the "consumption level of the people" as the Chinese people are marching towards socialist modernization.

**Tsuyoshi Seki**  
Chiba, Japan

Recent issues of *Beijing Review* have become hard to understand. One reason is the contents of the economic reports. For example, "On the Basic Economic Law of Socialism" in issue No. 41, 1980. If it is as what the article claims: "China's present economic situation is good and her economic policies are correct," then I have nothing to add. But I am disturbed in many aspects about China's economy, and I also have questions to ask Mr. Xue Muqiao. I do not query the necessity "to master basic economic law" as the article says. But it is a big question as to the understanding and method of raising productive forces, in other words, how to evaluate and precisely analyse the economic content of what is considered to be excellent.

**Kikujii Igo**  
Kanagawa, Japan

## Kampuchea, Laos and Western World

I enjoyed very much the article in the international column of No. 45 (1980) on Kampuchea and the photos showing the resistance being waged there against the Vietnamese aggressors. China's stand is correct, sincere and just. With such support Kampuchea will surely triumph.

**Truchet**  
Sartrouville, France

I find your reports on China's present situation and on other Asian countries and other areas very interesting. Maybe you should more frequently express

your views on questions in Germany and Europe as a whole. I think this befits your German edition.

The article "Question on Kampuchea's Seat at U.N. — Moscow's Mythical Three Million" (No. 40, 1980) is very enlightening. The information given by the Western media on the situation in Kampuchea differs greatly from your reports. That is why I read your articles with great interest.

**Bernhard Hildebrandt**  
Hattingen, W. Germany

In your reports on the international situation, I like most to read the comments on what is happening in the Western world, because they directly concern the people of West Germany. I am not so interested in the comments on events in the countries around China; they take up too much of your space, while your coverage of other international affairs is insufficient. In spite of this, a longer and more detailed report on Laos and Kampuchea is necessary, so as to help the readers understand the plight of the oppressed people there. Such a report will be much more helpful to the readers here than the comments on events which the people do not know.

**Joachim Schulz**  
Grasberg, W. Germany

## Urban People's Life

Now about *Beijing Review* — it seems to cover every aspect of life over there. In the recent issue (No. 44, 1980) I particularly enjoyed the special feature — Urban Life. It is interesting to know about the everyday living of ordinary people.

**Richard A. Dannels**  
Tucson, Az., U.S.A.

## Lack of Humour and Wit

I think the photos on the cover are entirely superfluous. The quality of photos has been improved. Publish more photos on the coverage of state visits, particularly those of the Chinese leaders, so that people can get to know them.

I find the cartoon on page 11 of issue No. 35, 1980 rather obscure. But the one in issue No. 43 (page 12) is fine. By and large, the cartoons lack humour and wit.

**Wolfgang Hermann**  
Hannover, W. Germany

## Too Much Alcohol

I would like to thank you very much for including my remarks about alcoholism among the young in your "Letters From Readers" column issue No. 24 (1980) for I believe that alcohol is something that is freely offered to a country or a nation by its real enemy under the guise of love for others. Some people would like to find in "moderate" alcoholism the sincere desire to see people have fun and be merry. Actually, in all countries, alcoholism is now regarded as a major factor of social injustice.

A healthy people that is not soaked with alcohol remains an historical necessity and a source of continuous renewal for a society. Only among these people can a healthy young generation be discovered that is also capable of progressively replacing the statesmen, diplomats, scholars and artists who are more exposed to the negative factors because of their hectic life. Remaining healthy, the young will spend their later years in happiness.

Under the influence of crime and profit in dark society, the Western press often expresses regret that Chinese workers seldom visit Chinese bars. It seems that workers in China are more concerned with social and political life.

**Frederic Handel**  
Verneuil en Halatte, France

## Better Understanding

I am satisfied with your weekly, because the articles are varied and interesting. I read every issue in the past years and I recommend most of the reports and articles to my friends to read and analyse, for they are useful in my work, conducive to a better understanding of China and an overall view of what is happening in the world. Then I have them bound and kept in my library.

**Miguel Ramon Bauset**  
Alboraia, Spain





## ECONOMIC

## The Changjiang Cofferdam At Gezhouba

A cofferdam on the Changjiang (Yangtze) River was successfully completed on January 4 at Gezhouba where a multi-purpose water conservancy project is being built. The turbulent waters of the Changjiang, China's largest, is now forced to flow through a flood-discharge gate in the middle section of the permanent dam.

Located near the city of Yichang in Hubei Province, about three kilometres downstream from the famous Three Gorges, the Gezhouba project is the biggest of its kind in China. It consists of a 2,561-metre-long and 70-metre-high dam, two power stations with a total designed capacity of 2.715 million kilowatts and an annual electricity generation of 13,800 million kwh, which is over three times the electric energy generated in China in 1949, and



three ship locks, two of which are among the largest in the world. In addition, there are the flood-discharge gates capable of discharging the biggest flood recorded in history.

Work on this huge project started ten years ago. However, owing to the chaotic situation at the time, its progress was retarded. As a result, over 70 per cent of the work was completed after 1977. Except for some machines, the whole project, from designing to constructing, was completed by relying on China's own efforts.

With the completion of the

project, the water level of the 100-kilometre-long stretch of the river through the Three Gorges will be raised 20 metres. The submerged rocks will be deep underwater, thereby greatly improving inland navigation.

The Central Committee of the Chinese Communist Party and the State Council sent a joint message warmly congratulating the successful damming of the river. Premier Zhao Ziyang and other leading members of the central and local authorities were present at the construction site on January 4.

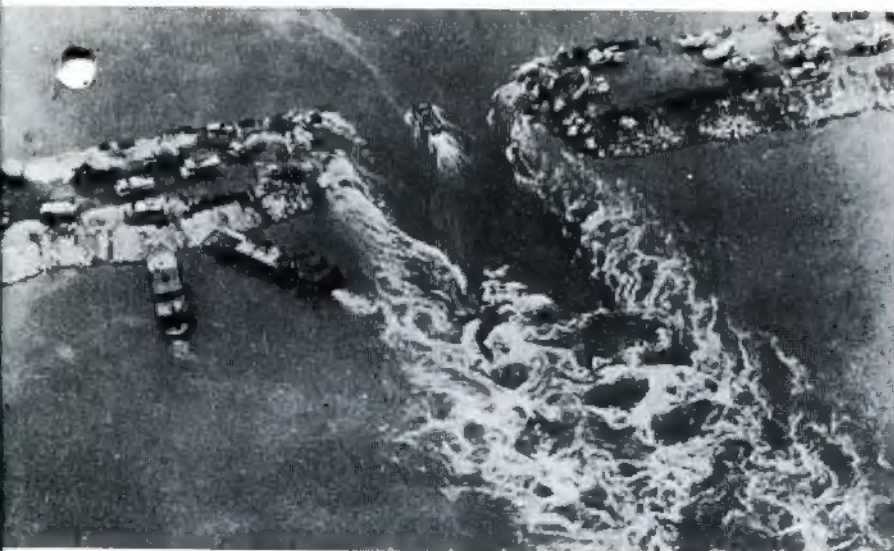
According to an official in charge of this project, the river will be reopened to navigation and power generation will begin in July this year.

## More Income for Peasants

Chinese peasants received an average net income of 160.2 yuan per capita in 1979, 26.6 yuan or 19.9 per cent more than in 1978. Of this net income, 102 yuan came from the collective economy, the rest from household sideline occupations and other sources.

This was disclosed by the State Statistical Bureau after an investigation of 10,282 peasant households in 408 counties in 23 provinces, municipalities and autonomous regions.

There are 174.91 million peasant households living in 29 provinces, municipalities and autonomous regions excluding Taiwan Province. As a result of an increase in income, the average yearly expenditure of each peasant for daily necessities in 1979 was 15.9 per cent higher than in 1978, and there was a change in the way the money was spent.



The cofferdam at Gezhouba.





At a village fair in Fengyang County in east China's Anhui Province.

- The proportion of income spent on food dropped from 67.7 per cent in 1978 to 63.9 in 1979, while that on clothing, housing and other needs increased.

- The amount of food consumption increased and the quality improved. The peasants spent more money on non-staple foods including cooking oil, meat, poultry, eggs, wine and liquor, and the amount consumed in 1979 was 10 per cent more than in 1978.

- Woollen and silk fabrics bought by the peasants rose by 140 and 150 per cent respectively, synthetic fabrics and knitting wool went up 75 per cent, while cotton cloth decreased slightly. Many peasants have bought bicycles, radio sets, watches and clocks as well as sewing machines.

- More houses were built. Newly built houses in 1979 accounted for 5.7 per cent of the total number of houses.

The report showed that some of the peasants still had low

incomes. Ten per cent of them had only an average net income of less than 80 yuan, including 3.7 per cent whose annual net income was below 60 yuan. The reason why they had low incomes was because collective production was not carried out well, or because some households lacked manpower and had too many people to support or because they were unsuccessful in their sideline occupations (see p. 19).

## Changes in Poor Villages

More peasants have built their own houses and bought draught animals and farm implements, more trees have been planted on former barren hills and around their houses, and there are more farm and sideline products on sale in the village fairs. These are some of the changes in the once poverty-stricken Gansu Province in northwest China resulting from the elimination of the influence of the ultra-Left line on economic policies.

Gansu Province has an area of 450,000 square kilometres and a population of 18.94 million. As was the case in many other provinces, administrative orders were resorted to in directing farm production instead of taking local conditions into consideration. For a long time in the past, the principle of "to each according to his work" was not correctly implemented in Gansu and a sound system of responsibility for production was lacking. All this seriously dampened the peasants' initiative and enthusiasm for production. Thus the province remained for years in a state of poverty and backwardness and every year it had to rely on the state for grain supply.

Over the past two years, readjustments were made in the agricultural policies with

regard to prices, taxation, credits and the purchase of farm and sideline products. Restrictions were eased on plots for private use, household sideline occupations and village fairs and, in particular, the production brigades and teams are given the right to make their own decisions, go in for a diversified economy that is suited to local conditions, set up various forms of responsibility for production, and institute a sound system of pay for work done. This has initially done away with subjectivism in directing farm production and absolute equalitarianism in distribution. The result was a boost in the peasants' enthusiasm and a higher grain output last year than in 1979. The province also had a good harvest of cash crops, with big increases in the output of sugar beet, fruit and medicinal herbs. Last year, the Dingxi Prefecture, once the poorest region in Gansu, registered a 33.6 per cent increase in grain over 1979.

In southwest China's Guizhou Province, another backward area, with an area of 170,000 square kilometres and a population of 27.31 million, the peasants last year adopted various systems of responsibility for production in accordance with local conditions and their wishes. They reaped a good harvest which, compared with 1979, registered an increase of 100,000 tons in grain. Output of rapeseed was an all-time high and, with the exception of tobacco, output of other cash crops all surpassed that of 1979. Animal husbandry and forestry also developed.

## More Tourists

Foreign tourists visiting China exceeded 200,000 last year, 25 per cent more than in 1979.

In addition, more than 600,000 overseas Chinese, compatriots



from Xianggang (Hongkong), Aomen (Macao) and Taiwan, and foreign nationals of Chinese descent visited the country last year through arrangements made by the China Travel Service and other units.

Accommodations for tourists were expanded last year in Beijing, Shanghai, Guangzhou and other cities. The Shanghai Tourist Company was established by east China's Jiangsu, Zhejiang and Anhui Provinces and the municipality of Shanghai for the purpose of organizing tours in that region.

More scenic and historical spots were opened and tours were conducted in various new ways. Many places are now open to tourists in Sichuan Province, traditionally known as the land of abundance on the upper reaches of the Changjiang (Yangtze) River. These include Mount Emei with its 1,000-year-old Buddhist and Taoist temples; Dujiangyan, a water conservancy project which was built by the peasants led by Li Bin and his son more than 2,200 years ago and is still in use today; and the thatched cottage of Du Fu, one of the greatest poets of the Tang Dynasty (618-907).

These and other scenic wonders attracted twice as many foreign tourists in 1980 as in 1979.

The Sichuan Tourist Bureau has also started a boat trip down the Changjiang River, passing through the magnificent Three Gorges and with Shanghai as the terminal.

Other provinces have started tours for convalescent purposes, for learning Tai Ji Quan (Chinese boxing and swordplay), and for fishing and other recreations. Last November, a group of 20 Japanese tourists toured a number of cities in Jiangsu Province on bicycle. They visited the peasants along the way and took meals in their homes.

In south China's Guangxi Zhuang Autonomous Region, tourism has also flourished, particularly in Guilin, a place described by poets as excelling all other places in scenery.

China started the tourist industry only a few years ago, and it was not until 1978 that large numbers of tourists were received. Hotel accommodations and other facilities are at present inadequate, and management leaves much to be desired.

These problems are being tackled by departments concerned.

## POLITICAL

### Implementation of New Marriage Law

A young couple in the rural areas of northwest China's Gansu Province committed suicide recently with self-made explosives because their marriage met with crude interference from the girl's family. The girl's brother Xu Kaiyuan, who was the principal offender, was sentenced by the local intermediate people's court to three years' imprisonment for using violent means to interfere in the freedom of marriage.

China promulgated its first marriage law in May 1950, the year after the founding of the People's Republic. The law aimed at freeing people from the feudal marriage system and paved the way for the establishment of new family relations characterized by free choice of partners, monogamy, equal rights for both sexes, respect for the old and care for the young.

China's legal system was seriously damaged during the ten chaotic years of the "cultural revolution." Many young people below 30 did not even know that there was a marriage law in China. As rapid changes have taken place over the past 30 years, the first marriage law is now not adequate enough and needs to be revised.

The Marriage Law of the People's Republic of China adopted at the Third Session of the Fifth National People's Congress last September is



A teahouse in the Cultural Park of Guangzhou.



based on the 1950 marriage law. With 37 articles in five chapters, the new law has come into effect on January 1 this year.

The law once again stresses the protection of the lawful rights and interests of women, children, and the aged. Main items of the revised new law include the following:

The marriage age has been raised from 18 to 20 for women and from 20 to 22 for men.

In dealing with divorce cases, the 1950 marriage law stipulated that a rash and frivolous attitude towards marriage should be opposed. This is still suitable, but a complete alienation of mutual affection cannot be maintained by compulsory means of the law. Therefore, this clause has been amended to read: "In case of complete alienation of mutual affection, and when mediation has failed, divorce should be granted."

The new marriage law also stipulates that both husband and wife, parents and children all have the right to inherit family property; the new law states in explicit terms that marriage between men and women who are lineal relatives by blood is forbidden and that children have the duty to support and assist their parents.

The State Council issued a circular last December calling on all concerned to implement the new marriage law conscientiously and publicize it among the people.

Since the promulgation of the new law, vigorous efforts have been made in various provinces, municipalities and autonomous regions to make it known to the people. Notable results have been obtained. Many cases of marriage by arbitrary decision of a third party,

for instance, have been prevented, and 26 girls of a production brigade in Hebei Province made known their wish of free choice of partners and their refusal to accept money or gifts of any kind in connection with their marriage. In a people's commune in Jiangsu Province, half of the 400 young couples postponed their marriage date on their own initiative. A people's commune in north China has the tradition of marriage among the near kin. When the peasants come to know that some infants with congenital malformation result from marriages between men and women who are lineal relatives by blood, they all say that the stipulation forbidding such marriages is for their benefit and should therefore be followed in the future.

The State Council's circular called on the people's governments at all levels, the judicial departments and the civil affairs administrations in particular, to strictly implement the new marriage law.

The women's federations, the Youth League organizations and the trade unions are requested to play an active role in popularizing the new marriage law.

## **Centenary of Death of Marx To Be Commemorated**

The society for the study of the works of Marx, Engels, Lenin and Stalin under the Chinese Academy of Social Sciences held a meeting towards the end of last year. The main topic of discussion was preparatory work in commemoration of the centenary of the death of Marx which will be in 1983.

The meeting decided that study should centre on the subject of "Marxism and Socialism" in the next two years.

The meeting also reviewed its works since its establishment one and a half years ago and discussed the question of integrating the study of Marxist works with the practice of socialist construction.

## **SOCIAL**

### **Extravagant Weddings Criticized**

An oil-painting entitled "The Newlyweds" carried in *Gongren Ribao* (Workers' Daily) shows a worried newly married couple surrounded by expensive furniture, a TV set and a stereo cassette tape recorder. On the table is a pay-packet with only eight yuan left. Their extravagant wedding has brought them unexpected worries.

This painting which was a joint effort of two amateurs won the first prize at a

The wedding ceremony of a young couple of Dai nationality in southwest China's Yunnan Province.





workers' paintings contest sponsored by the Trade Union Council of Beijing. It was praised for having reflected the uncommendable practice of extravagant weddings now common among the young, particularly young workers.

An investigation conducted among 180 newly married couples by the Statistical Bureau of Beijing last year revealed that 1,554 yuan were spent on the average for each wedding, equivalent to a young couple's total yearly income, excluding bonuses.

About 22 per cent of this sum was spent on wedding banquets, 33 per cent on buying bedding and clothes, and almost 44 per cent on furniture and household electrical appliances. Only half of the money spent came from the couple's own savings, and the other half was given to them by their parents and relatives or borrowed from others. Some couples relied almost completely on their parents for financial help.

The investigation also showed that 15 per cent of the couples spent less than 1,000 yuan for their weddings, 63 per cent spent between 1,000 and 2,000 yuan and 22 per cent more than 2,000 yuan.

Along with such extravagant weddings, the tendency of giving gifts has become rife, thereby increasing the financial burden of fellow-workers. It is not uncommon sometimes for young workers to spend a large part of their monthly wages for their newly married friends.

Extravagant weddings also lead to a waste of state property. In Shenyang, the largest industrial city in China's northeast with a population of 2.69

million, for instance, it was discovered that last year on September 20 alone, 170 automobiles of government organizations were used as bridal cars, thereby consuming a large amount of petrol for non-productive purpose.

The Communist Youth League, trade unions and other people's organizations have called on the young people to stop such practices. The *Zhongguo Qingnian Bao* (Chinese Youth News), a national newspaper with a circulation of 3 million copies, recently started a new column called "Readers' Letters." Within the first two weeks, it received more than 300 letters most of which said that it would be more sensible to be economical in holding wedding ceremonies.

On New Year's Day, a performance on the theme of love and marriage was given in the Shanghai Workers' Cultural Palace. "I'll Treat You With Candies" was one of the songs performed; its central idea was that instead of giving feasts, candies would be enough to celebrate a wedding as was the practice in previous years.

## FOREIGN RELATIONS

### More Foreign Economic Experts

With the import of advanced technology and equipment, the number of foreign economic experts working in China will increase though some of the construction projects will be dropped or postponed during the current economic readjustment. This was disclosed at a

recent meeting in Beijing convened by the Bureau of Foreign Experts Affairs under the State Council.

Vice-Premier Gu Mu who attended the meeting said that, during the period of readjustment, the number of foreign economic experts will increase, and not decrease, in the wake of the development of compensation trade and joint ventures and the start of projects using loans from the World Bank and the Overseas Economic Co-operation Fund of Japan.

He said that China's economic difficulty is only temporary. China's open-door policy remains unchanged, and the country is still a stable market.

In its modernization drive, he noted, China relies mainly on its own efforts, giving full scope to the country's existing economic and technical forces. At the same time, it will learn from other countries, use foreign funds and import advanced technology and equipment.

With the help of foreign experts, China has over the past few years built a number of chemical, textile, power, light industrial, coal, metallurgical and machine-building projects. A number of other projects are under construction.





## Viet Nam Attacks Thailand Again

**T**HE new year on the Thai-Kampuchean border began ominously.

On January 3, armed units composed of Vietnamese forces in Kampuchea and Heng Samrin puppet troops invaded the border area east of Ban Sangae in Tapraya District, Prachinburi Province, Thailand. They were driven back over the border by Thai forces. The Thai Supreme Command spokesman has warned that the situation is still tense as Vietnamese occupation forces in Kampuchea are planning a bigger incursion into Thailand. This development is a forceful reminder that a Vietnamese troop pull-out from Kampuchea is the key to a peaceful settlement of the Kampuchean issue and to peace and security in Southeast Asia.

### Military Pressure

The incursion into Thailand is not fortuitous. In June 1980, on the eve of the ASEAN Foreign Ministers' Conference, Viet Nam had also sent its troops into Thailand to try to dissuade by a show of force these nations from demanding a withdrawal of all foreign troops from Kampuchea. When this failed, the Hanoi authorities put forward a proposal for the "political settlement" of the Kampuchean issue. This was aimed at luring ASEAN nations into recognizing the Phnom Penh regime they had set up while evading the issue of withdrawing troops and thus making their occupation of Kampuchea legal. At the end of last October, as the world remem-

bers, the U.N. General Assembly adopted a resolution calling for an international conference on Kampuchea at the beginning of this year. Naturally, this conference would press for a Vietnamese troop withdrawal, and this is why the Hanoi authorities had consistently rejected the idea. Following this, the ASEAN nations decided that on January 5 their senior officials would meet in Manila to discuss preparations for such an international conference. The recent Vietnamese armed invasion was obviously timed to exert pressure on these nations. This shows up the Vietnamese authorities' obstinate refusal to pull their troops out of Kampuchea. It also forcefully proves that a peaceful solution to the Kampuchean question is impossible as long as Viet Nam keeps its aggressor forces in that country.

### Hanoi's Scenario

There is more to the Vietnamese refusal to withdraw their troops from Kampuchea than trying to permanently control Kampuchea and bring it into its "Indochina federation." In the scenario of the regional hegemons in Hanoi, occupation of Kampuchea is only the first step in their military expansion in Southeast Asia. For the Soviet Union it is a step in its southward push. They both see

Thailand as an obstacle, which they must overcome and which they are making preparations to invade. As *The Bangkok Post* put it in its January 5 editorial, "It is becoming obvious that Hanoi has not abandoned its plans to involve Thailand in its military conquest in Southeast Asia."

It is not surprising then that this latest Vietnamese incursion into Thai territory had the support and close co-operation of the Soviet Union. Before the



incident, the Soviet Union had off-loaded large shipments of armoured vehicles, heavy weapons and ammunition in Kompong Som, a port in Kampuchea. The Soviet media have repeatedly alleged that Thailand had committed fresh military provocations on the border.

The Soviet Union has created the material conditions and prepared public opinion for Viet Nam's recent armed incursion into Thailand. Clearly, Moscow is energetically pushing Hanoi to quicken its pace of expansion in Southeast Asia as



it pursues its own plans for world hegemony.

### Thailand Not Alone

The Thai people have a glorious tradition of fighting aggression. To combat further Vietnamese intrusions, the Thai military have been put on special alert. Thailand is resolved to defend its state sovereignty and territorial integrity. Meanwhile, tension on the Thai-Kampuchean border holds the attention of the world. It is obvious that the Vietnamese military occupation of Kampuchea has not only tram-

pled underfoot Kampuchean independence and sovereignty, but also threatens the security of the ASEAN nations and peace in Asia. Consequently, rendering support to the Kampuchean people's struggle against aggression and the struggle of Thailand and the other ASEAN countries against the hegemonists and pressing for the withdrawal of the Vietnamese forces from Kampuchea are vital for the preservation of peace in Asia and the world.

—“Renmin Ribao” Commentator, January 7

## Ray Cline's Imperialist Bias

WHAT Ray Cline, the onetime foreign policy adviser to President-elect Ronald Reagan, says in his article in the *New York Times* of January 6 can generally be ignored because he can alter neither the harsh reality facing his country nor China's independent policy. However, a few comments seem called for, as this scholar-turned-politician has become so overbearing and prejudiced that he sounds as if an old-line imperialist has been resuscitated to lecture the present-day public.

“I have long supported the concept of dealing with the two Chinese governments on a de facto basis,” says Cline, this time without his mask of a well-wisher for Sino-American relations to “prosper.” He openly and unequivocally advocates that the U.S. Government back down from its recognition of only one China and throw overboard the existing bipartisan China policy.

Even more offensive is Cline's argument that to tolerate China's reunification with Taiwan would undercut the United States' legitimate

protest against the Soviet occupation of Afghanistan. Here is a scholar who makes global strategic studies his profession. Yet, he cannot see the distinction between the case of reunification of a country temporarily divided into two parts and that of one country overrunning another universally recognized sovereign state. Such an argument can only be interpreted as an attempt at justifying the Soviet aggression against Afghanistan.

Cline's article highlights his long-suspected fear that the United States would irk the Soviets if it cultivates its relations with China. “Arming the massive but ill-equipped Chinese military forces would take billions of dollars and five to ten years before the Soviet Union would be in real jeopardy,” he writes. On the other hand, he says, U.S. support for China's policy “would indeed diminish American chances of maintaining a modus vivendi with the Soviet Union.”

In Cline's eyes, China is a deuce and the Soviet Union the ace. His deep-rooted vice of fearing the strong and bullying

the weak has gone to this absurd length.

True, China is poor. Yet, this poor China had prevailed upon Japanese imperialism and routed Chiang Kai-shek. China has its tradition of defeating formidable enemies with backward arms, and not the tradition of living under a foreign umbrella. Men of insight and vision the world over, including many Republicans and Democrats in the United States, are fully aware of China's role and weight on the global chessboard. Failing this, one can hardly claim to have a sound grasp of global strategy.

China on its part wishes to have better relations with the United States and all other countries on the basis of the Five Principles of Peaceful Co-existence. But it would be a blunder to think that China has much to ask of the United States and, consequently, would submit to the latter's dictate. China, it may be noted, had fared not too badly in the two decades when it had no diplomatic relations with America. Another point is that when it becomes stronger, it will not place the Soviet Union or any other country in jeopardy. The Chinese don't want to threaten anyone; they want to be strong because they know weakness would bring humiliations and injuries which they had suffered from the big powers for more than a century. Even today, they are living under the constant threat from the north. People like Ray Cline who thinks China in terms of a card to be played in the game with the Soviet Union cannot possibly understand the national aspirations of the Chinese people for modernization.

Cline cut himself a sorry figure while on his Southeast Asian tour last year (see *Beijing Review*, No. 50, 1980) and now



he has showed himself in an even more unflattering light—all because of his pride and

prejudice characteristic of an old-line imperialist.

—Hua Xiu

## U.S. in Economic Throes

### Report From Washington

**OUTLOOK** for the U.S. economy is gloomy. Inflation is running wild, the bank rate is at an all-time high and the government budget deep in the red. The stock exchange is jittery. Industrial production is falling. And the number of jobless is on the rise. In a word, everything points to trouble ahead for the U.S. economy.

**Stagflation.** The annual rate of inflation jumped to 18 per cent at the beginning of 1980, the highest in 30 years. The U.S. Government, through such austerity measures as raising bank interest rates, managed to hold inflation in check in the second quarter, but this in turn led to a slowdown in production, bringing the GNP down by 9.6 per cent and raising unemployment to 8.2 million. The second quarter last year was the worst quarter since the economic slump in 1974. Industrial production picked up a little in the third quarter when the money market was eased. But this brought on inflation again. Under these circumstances, the Federal Reserve Board and commercial banks resorted again to raising interest rates as from November in an effort to tighten the money market and check inflation.

Rising interest rate has cast a black shadow over industrial production. A closer look at the latest developments shows a number of latent economic

difficulties and contradictions despite a moderate rise in industrial production and a small drop in the number of jobless. The most noteworthy is the sorry state of the three "industrial pillars"—auto, construction and steel. The auto industry is suffering from shrinking sales for the second consecutive year with the five largest corporations reporting a 20 per cent drop in sales compared with 1979. Construction fared no better, housing starts went down 15 per cent from July to October. Trouble in the first two brought trouble for the third—demand for steel fell away steeply. The Interna-

The past year saw the U.S. economy alternately and sometimes simultaneously hit by inflation and recession. This was accompanied by other economic woes. Economists are inclined to believe these tough problems cannot be solved through a change of administration.

tional Iron and Steel Institute says U.S. steel output fell to 100.8 million tons last year, 18.2 per cent less than 1979.

**Economic Woes.** Last year's economic performance proves further that since the beginning of the 1970s, it has become increasingly more difficult for the U.S. to overcome stagnation or recession saddled with inflation. This chronic illness goes hand in hand with a number of other economic maladies. They are:

- **Declining labour productivity.** According to official statistics, labour productivity dropped by 1 to 2 per cent in 1979-80.

- **Continual weakening of economic position in world market.** The U.S. share of world manufactured exports has dropped, while its imports has increased. In 1980, 2.4 million foreign cars were sold in the United States. That was over a quarter of the total auto sales on the U.S. market. By contrast, U.S. steel product exports, which once dominated the Western market, have fallen to one half the volume of the early postwar years. Imported steel products now account for 15 per cent of supplies on the U.S. market. This has hurt the main branches of industry in the United States and weakened U.S. com-

petitiveness on the world market.

- **Government budgetary deficit has grown enormously, corporate investments in capital goods have been constantly reduced.** Last year, the actual budgetary deficit was 59 billion dollars, more than twice the estimated figure of 29 billion dollars. If non-budgetary loans are included, the total deficit is expected to come to 73.2 billion dollars. Total capital goods investments in the country took



up only a 10.2 per cent share of the GNP, the smallest among the major Western countries.

In the United States, attention is being focused on what President Reagan will do to help the ailing economy. U.S. economic circles and the press are inclined to believe that the economic problems of the country are unlikely to be

solved through a change of administration and policy. They tend to be sceptical about the remedies the new administration will prescribe. The economist John Canniff thinks that as the problems get worse by the day, a smooth solution grows even more remote.

— Xinhua Correspondent  
Yu Enguang

## Senegal

### Senghor Passes on Power

**I**N Black Africa are several senior state leaders of whom Senegal's 75-year-old Leopold Sedar Senghor is one. On Dec. 31 last year Senghor, President of Senegal, resigned and handed over his post as Head of State to 45-year-old Abdou Diouf, according to the 1976 Constitution of Senegal. Diouf was sworn in as the new President on January 1 and a new government headed by Habib Thiam was formed the next day.

The transition was smoothly effected and the situation in Senegal is stable. Senghor's decision was widely praised despite the opposition Democratic Party's contrary views. Many people turned out in festive costume in the capital Dakar to greet the new Presi-

dent when the inaugural ceremony was held.

**Senghor's Protege.** After Senegal's independence in 1960, Senghor was elected President in 1981, a post he has held until his resignation. Since his early days in office he has paid close attention to choosing and training a successor. In 1970, the Constitution was amended at his proposal and a provision was added to appoint a Prime Minister under the President. Abdou Diouf, an able young economist, was chosen to be the first Prime Minister. Diouf, who has been with Senghor in the struggle for national liberation since his student days, became Senghor's righthand man after he entered politics.

After years of training and observing his protege's performance, Senghor decided that Diouf was qualified to take over and he retired from office two years before the expiration of his term, which was not until April 1983. The aim was probably to give Diouf ample time to demonstrate his administrative ability, especially as an econo-

mist, to help him to win the confidence of the people and strengthen his position in the 1983 election. This decision could have also been motivated by a desire to see a peaceful and legal transition of power, avoiding any political and social unrest which might arise otherwise.

#### Policies and Difficulties Ahead.

For the past 20 years, Senghor had allowed a multi-party democracy and a limited free market economy at home and pursued a foreign policy of peace, neutrality and non-alignment. The political situation in Senegal has been fairly calm and the economy has made some advances. The output value of the state-run and joint state-private enterprises in Senegal accounts for 40 per cent of the gross national product, and the industrial enterprises 28 per cent. Industrial development has tripled the 1960 number of workers. New and better roads have been built and progress made in the cultural and educational fields. On international issues, the Senegalese Government has firmly denounced the Soviet Union and Cuba for their interference in the African countries' internal affairs and has taken a clear-cut stand against Viet Nam's aggression against Kampuchea and the Soviet Union's invasion of Afghanistan. Senegal's actions have been highly appreciated in the third world.

During his ten years as Prime Minister, Diouf had faithfully carried out the internal and external policies of Senghor. He is expected to continue his predecessor's policies, but he faces severe challenges. Several successive years of drought have hurt the country's agriculture. Its peanut output, which makes up





50 per cent of Senegal's exports, dropped from over one million tons to about 400,000 tons in 1980. This has brought about a sharp rise in its foreign trade deficits. Senegal's difficulties have been aggravated by the impact of the West's economic recession and worldwide infla-

tion. The country's economic plight has caused dissatisfaction among the people. It is now up to the new President to find solutions to these difficulties and to develop the national economy.

— "Beijing Review" news analyst Yi Fei

## 1980 in Retrospect

### Unrest in Latin America

**C**ONFLICT between contending forces in Latin American countries last year grew sharper and more complicated as these countries pushed their national democratic revolution forward. Headway was made in their struggle to safeguard national independence and to develop their national economies, and some social progress was obtained.

#### National Democratic Movement

In Central America and the Caribbean the struggle against imperialism and dictatorship continued to mount. El Salvador was the most racked by turmoil in Central America. Anti-government organizations grew stronger and their guerrillas fought government forces in several bloody battles. The number of towns and villages controlled by guerrillas or under their influence has expanded. The rising national democratic revolution has been met by stepped-up collusion between the landlord oligarchy and the Right-wing elements in the army which not only tried to suppress the democratic forces but also put pressure on the government.

In 1980, there were two abortive military coups in El Salvador and three cabinet crises. Despite the complexity of the conflict between the various political forces, the clash is basically between two camps, between reform and anti-reform, between democracy and dictatorship. In Guatemala and Honduras, anti-government campaigns gained momentum and guerrillas were more active than ever. The national democratic movement has also swept over some Caribbean island states. In Jamaica, the Labour Party defeated its pro-Soviet rival in a recent general election. In Barbados, the government has strenuously resisted foreign intervention. And the people of Haiti stepped up their struggle to topple the despotic Duvalier dynasty.

Democratization in several Latin American countries still under military rule made agonizing headway under pressure of the popular struggle against dictatorship and for democracy. Some specific steps for democratization were adopted and some military juntas showed a reluctant willingness to let some form of civilian government, through presidential or parliamentary elections,

to replace military rule. In the Peruvian general elections in May last year, the 12-year military rule was ended. The process of democratization is actually a reflection of the ongoing national democratic revolution in Latin America.

#### Greater Unity

Last year, Latin American countries strengthened their unity and co-operation and took united action against hegemonism. President Herrera of Venezuela stressed that all Latin American countries should unite and try "to get rid of other countries' undue guardianship, pressure and influence regardless of the sizes of these countries." Mexican President Lopez Portillo also pointed out that Latin American countries must unite to oppose hegemony in economic and political affairs.

Resolutions designed to enhance unity and co-operation and concert efforts against hegemonism have been passed in some international conferences by many Latin American countries. In February, Foreign Ministers of the Caribbean Community (CARICOM) states pledged to make efforts to achieve maximum unity in regional and international relations. On March 15, the San Jose Declaration signed by the Foreign Ministers of six Central American countries reaffirmed their condemnation of colonialism and neo-colonialism in all forms. The declaration noted that countries in the Central American Isthmus "are by no means the spheres of influence of any big power."

Last year, relations between



Latin American countries improved somewhat. Better relationship between Argentina and Brazil was widely noted. Brazilian President Figueiredo's visit to Argentina last May was the first in 45 years paid by a Brazilian President. During the visit, the two governments signed a joint statement and 10 economic, trade and technological co-operation agreements, including one on nuclear co-operation. This development contributes to political stability and economic co-operation in this area. Special mention must be made of Venezuela and Mexico. They signed a joint statement guaranteeing to provide the nine countries in Central America and the Caribbean with 160,000 barrels of crude oil a day at favourable prices beginning in 1981. This should lead to greater economic co-operation among Latin American countries.

Greater unity and co-operation in economic and political affairs last year helped speed up the process of integration. Eleven Latin American countries signed the 1980 Montevideo Treaty in August, formally establishing the Latin Ameri-

can Integration Association (ALADI) to replace the Latin American Free Trade Association (LAFTA), the earliest economic co-operation organization in Latin America, founded in 1960. The establishment of ALADI will hasten the process of regional integration and ultimately the establishment of a Latin American Common Market. Other interstate organizations, the Andean Pact Organization, the Amazon Co-operation Treaty and the Caribbean Community also held meetings in the past year, which co-ordinated the political and economic activities of the member countries and accelerated the process of the integration.

### **Washington-Moscow Rivalry**

Latin America, which has always been considered by the United States as within its "sphere of influence" and its strategic "backyard," has now become a target of the Soviet Union's offensive global strategy. In 1980, superpower rivalry to control this continent, especially the Central American and Caribbean countries, sharpened

considerably. The United States fought zealously to maintain its interests and influence in this southern part of the western hemisphere. Washington stepped up its economic aid to "stabilize" Latin America and to "eradicate" unrest. At the same time, it raised its military readiness and ability to respond to changes in this part of the world.

The United States dispatched more naval and air forces to the Caribbean Sea and sent ships to visit Caribbean countries to make its military presence in the area felt.

The Soviet Union tried to infiltrate into this continent under the banner of "support for the national liberation movements." This it did through its proxies and by both political and economic means. However, its image as a "natural ally" in Latin America has been badly dented by its invasion of Afghanistan. Moreover, the Soviet offensive to break into Latin America was set back by the exodus of some 100,000 Cuban refugees in April and May. Immediately after he took office, Seaga, the new Prime Minister of Jamaica, told the Cuban ambassador to go home, declaring that Jamaica would never be allowed to become a "second Cuba." The Jamaican elections are seen as a heavy blow to Soviet-Cuban plans for expansion.

The new U.S. President, Reagan, has blamed the Soviets as the cause behind the Latin American unrest. Foreign reports predict that Reagan will adopt a tougher attitude towards Soviet-Cuban expansion into this region. Fiercer rivalry between the United States and the Soviet Union will aggravate and complicate inherent contradictions in Latin America, making the situation there still more unstable.

El Salvador guerrillas.





# How to Evaluate The Socialist System

by Teng Wensheng and Jia Chunfeng

**Is socialism static or in a constant state of transformation? This has long been a controversial issue. This article argues that socialist society should be regarded as being a "permanent process of change and transformation." It asserts that defects exist in China's present political, economic and other institutions and that improving the socialist system requires evaluating and transforming it in a correct way.**

**I**N a letter answering Otto Boenigk on the question of socialism in August 1890, Engels pointed out: "The so-called 'socialist society' is in my opinion not something that is accomplished once and for all, but, as any other social order, must be understood as a permanent process of change and transformation." Today, as we are attempting to reform and improve the institutions of our Party and state with an eye to accelerating our socialist modernization drive, we see increased relevance in this famous exposition of the socialist system by Engels some 90 years ago.

Over 60 years have elapsed since the founding of the first socialist country and over 30 years since the socialist system was established in China. However, the question of whether this system should be regarded as a permanent process of transformation and improvement or a static entity still remains unanswered. After the downfall of the gang of four, especially after the Third Plenary Session of the 11th Party Central Committee was convened in 1978, there were attempts to sum up our historical experiences over the last 30 years since the founding of New China and particularly our bitter lessons in the ten turbulent years. It was felt

strongly that the current leadership system of the Party and state and other institutions were far from perfect and had quite a few serious defects needing conscientious reforming — reforms that spring from the objective need to give full play to the superiority of the socialist system and advance the socialist modernization programme. However, some comrades do not quite understand this necessity and are afraid that such reforms will damage or even negate the socialist system. To have a historical and dialectical perspective of the socialist system, it is necessary to clarify the following relationships.

## **The relationship between the basic political and economic system and other institutions.**

Socialism, the most advanced social system in human history, is characterized by its elimination of all types of exploitation and all class differences. Therefore, the process of its growth is naturally more complicated and profound than the development of any other social system. The establishment of the basic socialist political and economic system marks the beginning of the process of its development, not its end. The establishment of a socialist state does not mean that corresponding organizational forms and management in the fields of politics, economy and culture can come into existence automatically. To form a whole set of effective institutions suited to the socialist system calls for a long period of practice and exploration. The reason is that there is no recipe for the specific organizational forms and management of socialist politics, economy and cul-

ture, nor can there be only one model. We learnt a lesson from oversimplifying the question of building socialism. After the basic political and economic system had been established, we did not set up or improve corresponding specific institutions when necessary. Some specific forms were basically modelled on foreign examples or were simple transplantations of our practice during the protracted period of revolutionary wars. These did not dovetail with the objective reality of China's socialist construction. This has been the case with the overconcentration of power as seen in the leadership and management of the political, economic and cultural fields. Moreover, many urgently needed specific institutions were not established in a systematic way, including concrete forms, procedures, organs and institutions of socialist democracy and methods for choosing, appointing, examining, evaluating, supervising, rewarding, punishing, dismissing and retiring cadres. Such being the case, our socialist system still remains in an incomplete and imperfect state, which has seriously hindered the manifestation of its superiority. Hence, efforts must be made to cope with the two above-mentioned problems and change the present state of affairs.

---

**The relationship between improving the socialist system and eliminating negative influences of the old society.**

---

The establishment of the socialist system cannot be independent of the social conditions and base which came into being in the old society. Ours is a country with over 2,000 years of feudal history and has never entered the stage of an independent and fully developed capitalism. Instead, our socialism grew out of the womb of a semi-feudal and semi-colonial old China. Feudal traditions have deep influence in all spheres of our social and political lives. But, for a long time, we lacked a clear assessment of this. Many comrades mistakenly believed that there were no feudal influences since we had already overthrown the politico-economic institutions of feudalism and established a brand-new social system. As our experience shows, the notion that the socialist system is a crystal pure society is very impractical and, as Lenin said, "It would be so utopian that in practice it would only postpone socialism to kingdom come." (Lenin: "Re-

port at the Second All-Russia Trade Union Congress.") The birth of the socialist system cannot bring to an end in a short period all negative influences of the old society, including all the social conditions which are indispensable to the existence of remnant feudal influences. These influences will continue to exist for a long time and will corrode and affect not only the ideology of both the leaders and the masses, but will make their way into the new system for the system is set up and administered by human beings. The viewpoint many people held previously that negative influences of the old society only affect people's ideology, morality and behaviour but not the socialist system does not tally with reality. Experiences over the past 30 years and particularly in the ten years of turmoil have helped people to see with increasing clarity the damage caused by the pernicious influence of feudalism. Defects in the leadership and cadre institutions of our Party and state such as bureaucracy, overconcentration of power, a patriarchal style of work, lifelong jobs and privileges of leading cadres as well as bureaucracy and other drawbacks in our economic management—all show clearly that feudal influences have, to different extents, infiltrated our system. Our present endeavour to eliminate the remnant influence of feudalism is an important step towards reforming and perfecting our socialist system because the socialist system can only develop and be improved in the process of constantly eliminating the influences of the old society and making constant adjustments and transformation.

---

**The relationship between improving the socialist system and grasping objective laws.**

---

Man cannot comprehend the laws of society overnight. His understanding develops gradually through many repeated experiences, including mistakes. This is especially so for comprehending the socialist society. The history of socialism is rather short, in China and in the world, and man's knowledge of the laws governing the development of socialist society is still at its infant stage. Established under such conditions a socialist system contains many imperfections. This is because the perfection of the socialist system depends on the extent to which it is brought into line with the objective laws of development of the socialist society.



Over the 30 years since the founding of the People's Republic, we have learnt a great deal from the twists and turns in our effort to understand and grasp the laws of development of the socialist society. There are two major aspects of this question: One is that not enough credence was given to objective laws which very often were replaced by personal will and defied by personal authority; the other was that "taking class struggle as the key link" and "politics commands everything" was made the sole and supreme "law" dominating the whole of social life. Thus, the study of laws governing the development of socialist politics, economy and culture was abandoned. There is a direct relationship between these wrong ideas and attitudes and the serious drawbacks in our political institutions of democracy, in the institutions of economic management and culture. Now we are introducing reforms in the Party and state institutions. This is a reflection of the demands of objective laws, and an indication that our understanding of the relationship between the perfection of the socialist system and the grasp of objective laws has advanced. Only through this kind of reform and perfection can the socialist system retain its great vitality and strength.

---

**The relationship between improving the socialist system and assimilating the progressive elements of democracy and science developed in past societies.**

---

The socialist system differs in nature from all exploitative systems. Its establishment and development is determined by completely negating exploitative systems and rejecting their influences. But this negation and rejection does not mean that all progressive elements of past societies, especially capitalist society, should be discarded. Lenin pointed out: "The possibility of building socialism depends exactly upon our success in combining the Soviet power and the Soviet organization of administration with the up-to-date achievements of capitalism." (Lenin: "The Immediate Tasks of the Soviet Government.") He further said: "The only socialism we can imagine is one based on all the lessons learnt through large-scale capitalist culture." (Lenin: "Session of the All-Russia C.E. C.") Lenin understood clearly that socialist economy is a combination of socialist public

ownership and large-scale socialized production equipped with modern science and technology. We should not only make use of the universal economic laws which manifest themselves in the capitalist economy and which have proved useful to all societies in organizing large-scale production; we should also draw lessons from and make use of the practical experiences of capitalist enterprises and countries in organizing and managing modern production and in developing and utilizing science and technology. Only thus can we enrich and improve specific ways and institutions of socialistic economic and enterprise management.

Socialist politics is a form of democracy which allows the people to be masters of the country. Over the many centuries since democracy emerged, its form has changed along with the change of the ruling classes. Both in form and in content, socialist democracy is much higher than bourgeois democracy and it has a much wider scope. But bourgeois democracy, in comparison with feudal autocracy, represents a big step forward. Some specific forms and procedures of bourgeois democracy actually resulted from the protracted struggle of the proletariat and other labouring people against the bourgeois class. They are helpful in developing socialist democracy and we have no reason to reject and discard them all, especially in a country like ours where autocratic traditions outweigh democratic ones. It is, thus, more important for us to draw lessons from and assimilate the useful part of the experiences, forms and procedures of bourgeois democracy, including some concrete experiences in managing the state and social life. Our past mistake was to discard all progressive factors achieved in capitalist society as if they were all rubbish.

It is an extremely hard and complicated job to reform and improve the Party and state institutions. Apart from removing ideological obstacles, it is necessary to overcome all other obstructions as well. We should make continuous efforts to carry out thorough investigations, sum up historical experiences in both China and foreign countries, pool the wisdom of the broad masses so as to draft a specific reform programme which accords with the actual conditions and reflects the interests of the people.

*(A slightly abridged translation of an article in "Hongqi," No. 21, 1980.)*

# Let Some Localities and Peasants Prosper First

*Since the end of 1978, China has adopted a less rigid rural policy by granting production teams more right of autonomy with a view to arousing the peasants' labour enthusiasm and bringing prosperity to China's socialist countryside. One idea underlying the policy is to allow some localities and an advanced section of the peasantry to become better off first.*

*Why this policy? Will the results be good? In this special feature, "Beijing Review" Commentator gives an explanation of the Party policy towards these questions. "What the Peasants Say" sums up some of their current views, and the article "Back to the Right Track" is a report on the vicissitudes of a production brigade in Shandong Province over the last 30 years.*

lead in achieving step by step a relatively balanced development.

Socialist transformation of the Chinese countryside was effected in a situation that was extremely backward, semi-feudal and semi-colonial. China's size makes its various localities and perhaps even the communes and production brigades and teams in one locality differ in natural and production conditions; their management is also as varied as their unevenness in economic development. Although we put agriculture on a co-operative basis in 1956, eliminated exploitation, instituted public ownership of means of production, and despite quadrupling the total agricultural output value and tripling total grain output over the past 30 years, we have encountered difficulties in promptly overcoming the disequilibrium in the various localities' development.

## Is This a Bourgeois Policy?

by Our Commentator

SINCE the Third Plenary Session of the 11th Party Central Committee in 1978, the Chinese Party and Government have adopted a host of new policies aimed at arousing the peasants' enthusiasm for production and activating the rural economy, alongside the slogan "Let some localities in the country and a section of the peasants prosper first." Peasants as well as cadres at the grass-roots level in the countryside have shown their support for this policy. There are, however, also people who consider it a "bourgeois slogan" because, they say, it departs from the socialist ideal of common prosperity and will lead to a polarization where the poor will become poorer and the rich increasingly richer, and eventually to capitalism.

In my opinion such a view is mistaken and I wish here to state my views.

### Uneven Economic Development

The idea is in fact not new. It is actually recognizing the objective fact in the present stage of socialism that economic development in various localities and the ability to labour among the peasants are uneven. Former "Left" deviationist thinking led to a refusal on our part to acknowledge this fact and to a policy of trying to achieve an equilibrium artificially. This penalized the more advanced and favoured the backward; it failed to achieve an equilibrium. Today we recognize this and are offering guidance in policy that should

According to statistics compiled in 1977, the level of production of 200 of the 2,000-odd counties in this country was not far from that in the early days of the young People's Republic. Most of these counties are located in the northwest and southwest frontier regions, fairly poor and backward areas through the ages. Places often leading the country in economic development are areas in the Songhua-Liao valley in the northeast, on the Changjiang (Yangtze) delta and the Hangzhou-Jiaxing-Huzhou plain in the east, on the Zhujiang (Pearl) River



delta in the south. The outskirts of large cities do well also, thanks to prime geographical location, comparatively prosperous conditions and to proximity to large industries. Most of the 1,622 "outstanding" production brigades (about 2.3 per cent of the total in the country) which in 1979 received an average income of over 300 yuan per person (this refers to the income distributed by the collective economy, not including that from small plots reserved for private use and family sideline production) were located in these regions. Among these, 26.1 per cent was located in farming areas, 8.5 per cent in pastoral areas, 5.8 per cent in fishery areas, 1.9 per cent in forest areas and 57.7 per cent on city outskirts. Over 400 of these most prosperous production brigades are located on the Shanghai periphery alone.

There are differences in income within a commune, brigade or team depending on the peasants' physical strength, skill and willingness to work. Because in the historical period of socialism a pertaining principle is: from each according to his ability and to each according to his work. Hard workers, the physically strong and skilled are better paid — a normal and the only situation which encourages advancement while spurring the less advanced. This tends to increase the wealth of society as a whole and also, the peasants' personal incomes. But, to attempt to remove this difference by introducing absolute equalitarianism would be to seriously affect the peasants' enthusiasm for labour, stagnate and undermine the rural productive forces and collective ownership; for peasants are practical people and usually have a way

to protest against equal pay for unequal work. They may just go slow or stage a sit-down strike; in their own words, "to go to work without really doing any work."

## The Key to Prosperity

Will allowing a section of the peasants to prosper before others lead to polarization and give rise to a new exploiting class? The answer depends on whether socialist principles are adhered to or not.

Polarization springs from the exploitive system, which was eliminated in China with the establishment of public ownership of the means of production

draught animals — all principal means of production — belong collectively to the communes, production brigades and teams. Peasants may use them according to a countrywide contract system, but buying or selling them is prohibited, and this applies also to the small private plots reserved for peasants' own use. Exploitation is thus ruled out as a means of gaining wealth, and so also is polarization.

Under socialism, the collective economy is the main source of the peasants' income, and in fact at present, from 70 to 80 per cent of their income is derived from distribution from



A pasture in Hulun Buir League, Inner Mongolia.

and of the policy of distribution according to work done. In China, therefore, the social conditions for polarization do not exist.

Land (including grassland in pastoral regions) in the Chinese countryside, as well as water space, forests, large farm implements and machinery,

the collective while the rest comes from family sideline production and the small private plots.

Great effort is needed therefore to stimulate the collective economy and make it prosper. This applies especially to places with more favourable conditions where more investments

may be made for them to go ahead before other places with agricultural modernization. The present task, apart from making continued efforts to mechanize farming and improve management of the collective economy through the introduction of the latest achievements in agricultural science, is to gradually change the rural economic structure geared to grain production alone into a diversified economy appropriate to the resources of the localities concerned. This means exerting great effort to raise the output per unit area by intensive farming of limited cultivated land, and also opening up more avenues of production to increase cash income.

According to statistics compiled in 1979, 75 per cent of the income from the nation's collective agricultural economy comes from farming (of which 76 per cent is from food crops), 6.3 per cent from forestry, animal husbandry and fishery, 13.3 per cent from industrial and sideline production, 5.4

per cent from various services. Ledgers of the first well-off production brigades show that their income from forestry, animal husbandry, sideline production, fishery and industrial production makes up more than half of their total income, showing that the development of a diversified economy in the countryside is an important factor in prosperity.

Peasants should be encouraged to take an active part in collective productive labour and be assured that they will receive more for more work. Idle labour power should at the same time be urged to manage small private plots well and engage in domestic sideline occupations including raising poultry and small livestock. In a word, so long as no one is exploited it is permissible under Party and government policy to increase personal income and better one's life through one's own labour.

Naturally, when certain people have surplus money at their disposal, abuses such as hiring

workhands, speculation and usury may raise their heads. But such practices are against the state laws and offenders are punishable by law.

Adhering to the socialist principle of no exploitation of man by man therefore guarantees that letting a section of the peasants become better off before others will only result in differing degrees of wealth, not polarization. Of course, poor and rich are merely relative terms in the Chinese conditions—the difference not involving class antagonism, but existing on the premise that the labouring peasants have a common basic interest.

#### Assistance to Poor Brigades And Teams

What about poor brigades and teams and peasants who have a hard time making ends meet? The state and the collective will not leave them in the lurch but will take measures to help them develop production and get out of the red. Beginning from 1980, the state has set up a development fund to help the underdeveloped areas.

In Changchun Prefecture (comprising a number of counties or municipalities under its jurisdiction) in northeast China's Jilin Province, poor brigades were given a chance to recover when in 1979 the authorities concerned took a series of measures to help them develop production. After autumn harvest, these brigades needed only to pay back the state loans of the year while other old loans were left in arrears. Animal husbandry was supported by loans to buy livestock which increased the peasants' income; the brigades were given



Washing of gold ores in a commune of Shandong Province — an example of developing commune- and brigade-run enterprises according to local resources.





Commune members of Yutai County, Shandong Province, are encouraged to develop sideline production.

priority in getting loans, buying chemical fertilizer, being provided with good seed strains and with the use of farm implements and machinery. Able cadres were also assigned to help them with production plans and putting the plans into operation. After a year's hard work, 1,370 poor brigades in the prefecture, 82 per cent of the total, saw production increases.

In case a peasant household has suffered from the death or disablement of a bread winner, or has difficulties in living because of many non-earning members in the family, the Ministry of Civil Affairs will step forward with funds to make up the deficit once a year. Gaoqing County in Shandong Province used this special fund one year to purchase cattle, sheep, swine and rabbits for the poorer households to raise. It also gave these households favourable conditions for

obtaining fodder and veterinary care and for purchasing the animals they had raised. Those households were enabled to see their way ahead and to improve their living.

### A Spur to General Rural Prosperity

To sum up, encouraging some localities and a section of the peasants to better themselves before others does not mean widening the gap between rich and poor or compromising the socialist ideal of common prosperity. What it does mean is to speed up the transformation of the Chinese countryside from poverty to plenty. According to the law of the development of things, some are bound to go ahead of others. When some localities prosper first due to favourable

This change is noticeable from the statistical record of China's rural collective economy in the last few years.

In 1976, the average distribution per person among the total rural population was 62.8 yuan. Poor brigades with an individual distribution under 50 yuan constituted 42.8 per cent of the total number (24.2 per cent of the production brigades got less than 40 yuan). Rich brigades whose members received an average of over 150 yuan each were negligible. By 1979, the average distribution per person reached 83.4 yuan, while the percentage of poor brigades whose members received less than 50 yuan each dropped to 27.7 (the percentage of those receiving less than 40 yuan dropped to 8.2). Over 380,000 brigades had an average distribution of over



"Outstanding Households" in Guzhen County, Anhui Province, commended.

conditions, when a section of the peasants become better off first through their own industrious labour, these will set an example for others, who will be inspired to follow it and will soon start catching up. The gap between a rich and a poor team will become increasingly smaller and the scope of common prosperity will become ever broader.

150 yuan per person, or 7.6 per cent of the total number. Those whose individual distribution was more than 300 yuan now constituted 2.3 per cent of the total.

It must be made clear that China's vast countryside still has a long way to go before it can be termed rich. The point is that a start has finally been made in this direction.

## What the Peasants Say

*In 1980 some Chinese local dailies and broadcasting stations sponsored special columns or programmes opening discussion on ways to "allow a section of the peasants to prosper before others." The discussion proved very popular. Peasants and cadres at basic levels in the countryside participated by sending in letters and articles, and the following are selections from these which were carried in "Zhongguo Nongmin Bao" (Chinese Peasants' Journal). — Ed.*

### The Old Bogey of Making Money

**I** SN'T it strange that peasants in a socialist country should fear prosperity? But that was the situation in China

Wang Dabai is an old peasant who lives on the outskirts of Beijing. He excels in growing garlic. In 1976 when the gang of four fell, his team leader suggested he resume his garlic growing, but he refused. Why? Old Wang said: "Before the 'cultural revolution,' I grew garlic on my patch of private plot and made some money every year which helped out a lot. I never thought I'd be persecuted in the 'cultural revolution' as representing 'the spontaneous capitalist force.' Now I'm told I can grow garlic again. Nothing doing. I'll let my garden patch lie idle rather than grow garlic on it again."

And not only the peasants, but the cadres shared this fear. The Party branch secretary of Wang Dabai's production brigade said: "To make the collective economy prosper, I asked my brigade members to make rope and awnings out of the immense quantity of straw we had every year from our paddy-fields. This netted us money for use over the winter and everybody was happy. But for this I was labelled a 'capitalist-roader' during the gang of four

time. 'Making rope means making money, and money means capitalism,' said they, and I was tied up with a straw rope which my tormentors said was 'a viper' on my body."

This Party secretary said with emotion: "We Communists made revolution so as to get rid of exploitation, so we could develop production and accumulate material wealth. Everyone was to live happily in plenty. Is this not the aim of our socialist revolution? If people are not allowed to better themselves but have to remain poor for ever, who will be willing to undertake socialism?"

"This absurdity is now discredited and the peasants' misgivings about making money are gradually giving way. The question now is how to make everyone prosperous."

### Dispute Over Getting Rich Again

A heated discussion recently took place in Ertai Fang Production Brigade, Kangbao County, Hebei Province. The issue: Was it right for a certain Fan Mao to become rich for the second time?

Fan Mao's was the only well-to-do household in the village before liberation. Fan got rich by exploitation, by hiring farmhands to work his land. Designated a rich peasant during the land reform in 1950, he

had not thought of making money again, and he and his wife lived fairly poorly. In 1979 the designation of rich peasant was removed in view of his good behaviour. After the Party Central Committee called for letting a section of the peasants prosper first, Fan made money for the second time — this time by his own hard work.

Fan's increased income in 1979 was earned by working long hours every day collecting manure and selling it to the production team and putting more labour into the farm. He repaid 70 yuan he had borrowed from the team and had 500 yuan left. He and his wife earned another 400 in sideline production and from their small private garden plot. This added up to 900 yuan, which the couple saved by living frugally and they deposited the sum in the bank. Fan says they put the money in the bank to help finance national construction and also for the couple's old age. In 1980 the Fans earned still more and again become a well-to-do household in the village.

Many envied Fan, while a few people did not like this situation at all. Sun Wangyuan of a poor household was one. Sun's family had been either poor peasants or farmhands for the four generations that he knew of. He believed that no rich person could be decent and no decent person could be rich. Sun said at a meeting: "Fan Mao's 'money-mindedness' will never change. He is dreaming of exploiting others for the second time." Sun then took a packet of expensive cigarettes from his pocket and made his point: "I never salt away money. I'm a poor man and I'm not money-minded." The argument that followed ended with neither side convincing the other.



Then Chen Fu, an old poor peasant, took the floor. "Before liberation Fan Mao got rich because he had plenty of land and exploited labour to work it. His wealth was ill-gotten, gouged out of other people. Today he makes money by his own labour, by being industrious and living a plain life. His wealth this time increases his love for labour and thus his contribution to the collective and the state. If everybody gets rich like this, not only they, but the collective and the country will be prosperous very soon. Now, Sun Wangyuan was poor before liberation because he suffered exploitation by landlords and rich peasants. After liberation he got government relief as a matter of course. But why is he still poor now? He is ten years Fan Mao's junior, physically stronger than Fan, both have a family of two, both work in the same production team. Sun should actually be better off than Fan. But Sun was taken in by the ultra-Left thinking that 'to be poor is to be revolutionary and to prosper will make one revisionist' and works poorly in the collective, nor does he do any sideline work. He earns little but has

expensive tastes. No one can expect to live well that way."

Chen Fu's view won warm applause. It made Fan Mao's prosperity respectable, and Fan was moved to tears. Sun Wangyuan's situation was now clearly explained, and he too applauded Chen Fu's speech. The Party branch secretary then concluded by commending Fan Mao for his efforts in working hard and living plainly to become prosperous.

### Before and After "Becoming Outstanding"

In the opinion of Liu Ming-shu, Party branch secretary of the Liujiaying Production Brigade in Changle County, Shandong Province, it is not at all alarming to have "outstanding households" with high incomes as long as they earn the money legitimately.

He said: "In the heyday of the gang of four, certain persons in the countryside busied themselves with 'blocking the capitalist road' and cutting down 'outstanding households.' The natural conditions in our production brigade were very poor, but we too castigated 'outstand-

ing households' politically and suppressed them economically, paralysing all so that no one could or dared to stand out in production. It simply made no difference whether one worked or loafed, or whether one did a good or bad job, if he worked at all. Distribution was the same for everybody and this put a damper on production. In 1975, the brigade's income per person was no more than 80 yuan. 'Outstanding' households had disappeared, but none of their wealth showed up among the peasant masses. All were poor.

"The fall of the gang of four removed these mental fetters and peasants were encouraged to go ahead and improve their financial status. Enthusiasm for collective productive labour grew. Labour efficiency was raised, so was the quality of farmwork. There has been an all-round development in farming, forestry and animal husbandry. In 1979 ten peasant households distinguished themselves by receiving an income exceeding 1,000 yuan. The average peasants' individual income also exceeded 200 yuan — sufficient for food, clothing and pocket money. At the same time, collective accumulation tripled that of 1975, four years before"

"All this points up the fact that only by applying the policy of reward according to work, by allowing peasants to go ahead and earn money can their enthusiasm be aroused and collective production promoted. This is a policy that people have wanted and requested, and it's a policy that's effective."

### Prosperous Collective, Prosperous Peasant

Zhao Xingsheng, a member of Shengquan Production Brigade



Ma Surong of Fangshan County, Beijing, takes charge of her brigade's chicken farm under contract. The farm last year earned over 7,000 yuan, including a profit of 2,900 yuan. She got a bonus of over 1,000.



Members of Lujiawan Production Brigade, Zhejiang Province, on a trip to see their relatives after they had completed farmwork assigned them.

31 Donghai County, Jiangsu Province, said: "Only a developed collective economy can assure individual peasants increased incomes that will lead to their prosperity."

"Mine is a family of eight of whom five are able to earn. Yet we became a well-to-do household in the brigade in 1979, mainly because the five of us worked energetically in collective production. At the end of that year we received 1,380 yuan in cash over and above our grain distribution of 2,700 kilogrammes. That was 90 yuan and 32 kilogrammes of grain more than the average income per person in the brigade. We also raised farm animals and poultry, which gave us several hundred yuan more. But 80 per cent of my family's income for the year was for work done in the collective."

Ma Zhanying of Malianqu Commune, Wuzhong County in the Ningxia Hui Autonomous Region said about the same. "In the first place, I have taken an active part in collective productive labour. I'm usually on the job and earn plenty of grain, edible oil and cash for our needs. In 1979 I received from the collective 2,700 kilo-

grammes of grain and 700 yuan in cash. My family also engages in sideline production in line with Party and government policy. This brings in another fat sum. My family is a very harmonious one and we help each other. My wife and I work side by side in the production team; my parents take care of the house and sideline production. We all know how to save and make ends meet, and aside from buying daily necessities and building a house, we spend nothing, but put our earnings in the bank. I lend money to the production team when the need arises. I feel indebted to the collective because the collective economy is mainly responsible for my family's being well off."

The Ma family has been commended for their industriousness and thrift, and in early 1980 Ma was cited as the team's advanced producer.

### Developing Additional Financial Resources

Ren Zulin, leader of Team One of Brigade Eight in Zhengmen Commune in Changshu County, Jiangsu Province, thought that the only way to prosperity was to develop ad-

ditional financial resources. He said: "Our team used to do nothing but grow grain and cotton. Our income was low, so some people just left the team and got jobs elsewhere for wages. Those who knew how to do this succeeded in improving their livelihood, but those who did not remained poor. At year end, the average income per person never exceeded 100 yuan, and 30 per cent of the households in the team were in debt."

"Later, besides growing grain and cotton, we started culturing pearls, growing water chestnuts, breeding fish, growing mushrooms, raising pigs, sheep and rabbits, and processing food grain. We also organized a ship-ping team for water transportation. Our income rose steeply. In 1979, our output of grain, cotton and edible oil reached an all-time high and our income from industry, agriculture and sideline production mounted to 94,000 yuan, an increase of 34,000 yuan over 1978. At year end everyone received an average of 252 yuan, 82 yuan more than the previous year. Not a single household was in debt. Over 40 per cent of the peasant households received an income exceeding 1,000 yuan. Zhu Xingbao who formerly took 70 to 80 yuan from the state relief fund each year, in 1979 received over 200 yuan in cash in addition to grain and edible oil distributed by the collective."

Yuan Chunyang of the Daliu Commune Forestry Station in Fushun County, Liaoning Province, said: "Natural resources should be rationally tapped. We must not go after immediate interests at the expense of the long-term basic interests."

"The Liujiazi Production Brigade here has learnt a lesson from the past. In the early 80s



they reclaimed mountain land and felled timber because they needed money to buy food and supplies. The 2,000 hectares of land they reclaimed made no one better off. On the contrary, they had destroyed natural conditions that they could have exploited. Serious water loss, soil erosion, drought and flood occurred every year, and the brigade got so poor that they had to live on state relief.

"Later, this brigade learnt a lesson from this and decided

to invest in the 'green bank.' Beginning in 1965, they planted some 100 hectares of forest every year, and now they have 1,600 hectares. Another 1,600-odd hectares of ravaged forest have been re-covered. Today it has a total of 180,000 cubic metres of timber in store, worth 9 million yuan. The brigade fells trees each year according to plan, which brings in over 40,000 yuan. Liujiazi is now known far and wide for its forest riches."

and backwardness and achieving affluence, if the guiding thought is wrong and the method of management goes astray, the pace will be slow and stumbling.

### Early Days of Agricultural Co-operation

Xiguan now has 830 people (with a work force of 360) and over 36 hectares of cultivated land. It grows mainly wheat and maize and also engages in industrial and sideline production.

According to Li Dehai, secretary of the brigade's Party branch, this place was liberated in 1947. Then followed the land-reform movement during which the impoverished peasants received land. Happy as they were, they still led a hard life because the struggle for country-wide liberation was not yet over.

After the founding of New China, the peasants set out on the socialist road under the leadership of the Communist Party. On scattered, tiny plots, individual households found it difficult to withstand natural disasters. So mutual-aid teams were organized for this purpose. Elementary agricultural produc-

## Back to the Right Track

by Our Correspondent Wei Min

**Y**ANTAI Prefecture in east China's seaboard province Shandong has 14 counties and two municipalities under its jurisdiction, with a rural population of 7.8 million. Here, nature has been generous and conditions for production are fairly good. In 1979, the peasants' income from the collective averaged 156 yuan per person, 55 yuan more than in 1976, or nearly twice as much as the national average (83 yuan). Of the 10,080 production brigades, 11 were able to pay out an average of 300 yuan per person, a few brigades as much as 430 yuan.

In 1980 the peasants there again received a sum larger than that of the previous year, despite a serious drought rarely seen in many years. The increase in income was due to the development of the commune- and brigade-run industrial and sideline production and so also to an increase in the income of the collective economy as a whole.

In building up and developing a socialist rural economy, this area has gone through a rugged,

tortuous course. Not long ago, on a visit, this correspondent learnt that Xiguan, a medium-sized production brigade, which itself is a basic accounting unit, has been making fairly rapid progress. This brigade is located in Mouping County in the northeastern part of the prefecture. Its experience bears out the fact that although the establishment of a socialist collective economy opened up a broad avenue for getting rid of poverty

Tang Baochun, a commune member in Mouping County, and his family last year earned over 4,000 yuan, twice as much as they got the previous year.



tion co-operatives (equivalent to present-day production teams) were formed in 1955 and were subsequently merged in 1957 to become advanced agricultural producers' co-operatives (equivalent to present-day production brigades).

Older peasants there recalled that due to lack of experience, things were hurried up a little bit in setting up co-operatives. But then, the co-operative cadres, being modest and prudent, always consulted with the masses and worked out feasible production targets, while seeing to it that the principle of distribution according to work done was adhered to. Production improved year by year and people lived better and better. By 1957, the average income of that brigade (then an advanced agricultural producers' co-op) had risen to 51 yuan per person, six yuan more than the income of individual peasants in 1950, not long after liberation. One of the older peasants remarked regretfully: "If we had continued to run our co-op that way for the last 20 years and more, things would be entirely different today. But . . ."

### Damaging Effects of "Leftist" Thinking

The year 1958 saw the unfolding of a nationwide "big leap forward" and of the movement to set up people's communes. "Left" deviationist ideas which favoured bigger productive units of a more highly developed socialist nature prevailed. Things began to take a sharp turn.

Word from above came down to build water conservancy projects in a big way and produce quantities of iron and steel by way of a countrywide mass movement. That year, Xiguan could have brought in a very good harvest, but because most

of the able-bodied were sent to dig rivers, open up canals and make steel, there was not enough work force available to gather in the crops, most of which were left in the field to rot. So that year, a good crop was turned into a poor harvest. The situation was aggravated by the proliferation of wasteful "public canteens" where the peasants were encouraged to "eat their fill from a public cauldron." The aftermath was a sharp decline in the peasants' income and an increase in the number of households deficient in food grain (see table I).

The difficulties brought on by the "Left" trend of thought persisted until the early 1960s. Through subsequent readjustment of the national economy, the mistakes of absolute equalitarianism and of conducting production in a blind way were rectified. This once again aroused the peasants' enthusiasm for production. After years of effort, by 1966 Xiguan Production Brigade was able to pay its members a yuan for a day's work and that year the average income per person was 70 yuan.

But these happy days did not last long. In the ten years of the "cultural revolution" (1966-76) "Leftist" thinking again beset the country, this time even more fiercely than before. While causing political upheaval, it mani-

fested itself in the rural economy mainly in the following ways:

(1) Mass criticism of the so-called "bourgeois tendency" indoctrinated the peasants with the idea that "poverty is revolutionary and prosperity means going revisionist," so that no one dared to touch on how to become "better off."

(2) The principle of "taking grain as the key link" in agricultural production was pushed to its extreme, where industrial and sideline production in the countryside was restricted or even stopped. In 1974, Xiguan set up a sawmill in order to boost the collective's income but it was accused of "taking the capitalist road," for which the brigade leaders made several self-criticisms and were not absolved until the downfall of the gang of four.

(3) Absolute equalitarianism was practised in the field of distribution. Households with strong labour power, doing more work for the collective, were not allowed to receive more than the average; this was described as "the true superiority of socialism." It was a current rule made by the organ above that a peasant must not be paid more than 1.5 yuan for a day's work and that the annual average income per person must not exceed 150 yuan (for that was the limit set by the Dazhai Production

TABLE I

Stage of Progress	Year	Average Per Capita Income (yuan)	Households Deficient in Food Grain
Beginning of agricultural co-operation	1953	53	37
Co-operation completed	1957	51	41
People's Communes founded	1958	31	86



Brigade which at that time was the pace-setter on the national agricultural front). Xu Guangzhu, a strong labourer, had 390 workdays to his credit in 1974 but the brigade paid him only for 360 workdays. People described this as "lashing at a fast-running ox." In that case, who would be so foolish as to become a "fast-running ox" and get lashed at?

The aftermath was obvious: production in the brigade lagged year after year, almost coming to a standstill, and there could be no rise in the peasants' income (see table II).

### Setting Things Right

The "Leftist" trend of thought was criticized after the gang of four's downfall; the Party and the People's Government started encouraging peasants in districts, communes or production brigades with favourable natural and production conditions to forge ahead and improve their material conditions. The peasants' misgivings about "getting rich" were dispelled. The various prohibitions were cancelled. Once again Xiguan set out on the road to prosperity.

To achieve affluence, there must be a development of pro-

ductive branches of all kinds. This brigade has a large work force, and is near the county seat with access to good communications. So it set up a garment factory, an oil tank factory, a plant for repairing motor vehicles and farms raising fish, cattle, pigs, chickens and rabbits. In less than three years, the income from industrial and sideline production exceeded that from farming and became the main source of the brigade's accumulation and distribution among its members (see table III).

To eliminate the practice of "eating from the public cauldron," and to overcome absolute equalitarianism, the brigade adhered to the principle of dis-

tribution according to work done and encouraged those with greater strength and ability who made greater contributions to the collective to go ahead and become better off. The income of the brigade leaders also varied according to their contributions. The income of the secretary of the Party branch, for instance, depends on how well the brigade's total income target is fulfilled. When the target set is reached, he may get an income equivalent to that of the strongest labourer in the brigade, plus some bonus. In 1980 he got paid 2,280 yuan, more than the highest income of a skilled worker. If the target is not reached, he can only get the amount paid to the weakest labourer in the brigade

TABLE II

Year	Total Income (10,000 yuan)	Income From Farming (10,000 yuan)	Income From Industrial & Sideline Production (10,000 yuan)	Workday Value (yuan)	Per Capita Average Income (yuan)
1971	13.3	8.4	4	1.5	115
1972	13.8	10.4	3.1	1.5	122
1973	15.8	10.8	4.5	1.54	129
1974	16.8	11.2	4.9	1.18	117

TABLE III

Stage of Progress	Year	Income From Farming (yuan)	Percentage in Total Income	Income From Industrial and Sideline Production	Percentage in Total Income
Before the "cultural revolution"	1966	64,300	91	6,000	9
At the time of the downfall of the gang	1976	147,933	55	120,077	45
After the introduction of a more flexible policy	1978	250,000	38.5	400,000	61.5
	1979	230,000	28	600,000	72
	1980	331,800	22	1,168,876	78

TABLE IV

Stage of Progress	Year	Collective Accumulation (yuan)	Peasant Income (yuan)	Workday Value (yuan)	Per Capita Income (yuan)	Average Grain per Person (kilo)	Households Deficient in Grain
Before the people's communes	1958	3,346	17,924	0.8	31	164	86
Before the "cultural revolution"	1968	2,190	46,900	1	70	186	57
At the gang's downfall	1976	—	118,293	1.3	150	260	6
After the introduction of more flexible policies	1979	360,000	250,000	2	300	265	0
	1980	570,000	450,000	4	500	275	0

and will be fined. The incomes of other leaders and members of the brigade are paid in much the same way. Accordingly, how well the brigade is run is organically linked up with the economic interests of each individual peasant in the brigade.

These measures are a powerful mechanism to arouse the peasants' enthusiasm and they have spurred on production. As a result, the accumulation of the collective has been on the increase and the peasants' income too on the rise; there has been more food for each household and not a single household has been found deficient in food (see table IV).

### Differences Narrowed Down

In the situation where the socialist collective economy occupies the dominant position, as the countryside embarks on the road to prosperity, the difference between better- and worse-off peasants will be gradually narrowed.

This is because when a production brigade is poor, and its income is derived merely from planting crops, it has little or no accumulation at all even though the output is high. So

it lacks the means to acquire farm machinery and other implements and has to cultivate land mainly with manual labour. In these circumstances, those who are less able-bodied get a lower income and their lives are hard. In the case of a rich brigade, which usually engages in a variety of productive enterprises, those who are not so strong physically but who have some skill in other fields can also do their bit and earn more.

On visits to a number of peasant households, including some which had formerly been rather poor as well as well-off ones, I saw families living in new brick houses with tile roofs. The rooms were well-lighted and spacious. Inside, there were wardrobes, redwood chests, radios, clocks, bicycles and new bedding etc. In some homes there were quite expensive porcelain vases for decoration. I was told that every household had bank deposits. But this had not been the case prior to 1978.

Take Chu Xianliang, for instance, who belonged to one of the worse-off households. He was not strong physically and had no special skill. His wife, who was in poor health, was too

weak to do farm work. They were married in 1962 and their children were still quite young. This family of six used to live on state relief and loans from the brigade. In contrast, take the well-off household of five headed by Xu Guangzhu, a skilled farmworker. His wife was also physically strong. Their combined income was rather large and they lived a fairly comfortable life.

Things have changed since 1978 when the brigade began to engage in a number of other branches of production. Chu Xianliang was made purchasing agent of his brigade and he did his work well. His wife and a daughter found employment in the brigade's garment factory. The whole family's income went up steeply. At the end of that year they received an income of 216 yuan and repaid all their debts. In 1980, their income increased further to 3,230 yuan. Xu Guangzhu, who was already fairly well-off, is now able to spend more time at his own special work and has become head of a motor vehicle repair plant. His family income is larger than before, reaching 3,557 yuan in 1980. Still, the Chus are catching up with the Xus in their yearly income. □



## THEATRE

**"Montserrat" Staged  
In Beijing**

*Montserrat*, the French dramatist Emmanuel Robles' play about 19th century Latin American revolutionary Simon Bolivar, recently finished a two-week run in Beijing. The performances were given by the China Youth Art Theatre in commemoration of the 150th anniversary of the death of Simon Bolivar. This play, already staged in Paris, Algiers, Rio de Janeiro, Montevideo, New York, London, Bonn and Tokyo, has won high acclaim.

In the play, Bolivar does not actually appear, but his presence is felt throughout and he is the centre of the conflict between life and death, loyalty and betrayal. The action of the drama revolves around a threat made by a Spanish colonial officer to execute six captive citizens if *Montserrat*, a young officer, refuses to disclose the hiding place of the revolu-

tionary Bolivar. The young *Montserrat* is thus torn between the desire to save the innocent people from death and the knowledge that Bolivar is Venezuela's only hope, and therefore to betray Bolivar is a betrayal of the Latin American national-liberation movement. The suffering *Montserrat* endures in making a decision is the main theme developed in this two-and-a-half-hour show. The emotions he shows—resolution, calmness, hesitation, anguish—are all appropriate and believable. Hence the play's appeal.

The hostages in the story are also vivid and memorable: a rich merchant who offers the Spanish officer his entire fortune and even his wife in exchange for his life; the skilful potter who can do nothing but weep over the impending death; the comedian who ironically recalls an earlier successful performance as a hero awaiting the gallows; a kind mother who deeply loves her two young children; and a couple of youths who go to meet their death with pride and unflinching courage.

Chinese audiences appreciate the simple, realistic way the play exposes the fierce cruelty of the colonial rulers; this style of theatre stands in sharp contrast with the dogmatic and exaggerated drama which dominated the Chinese stage several years ago. Many have also commented that *Montserrat* reminded them of the ruthlessness of Lin Biao, Jiang Qing and company, who ignored human dignity and persecuted large numbers of people to death.

Chen Yong, the noted 51-year-old woman director of the drama, said: "In staging this play, we wish to convey our friendship to the Latin American people and express our deep respect for their national heroes like Simon Bolivar."

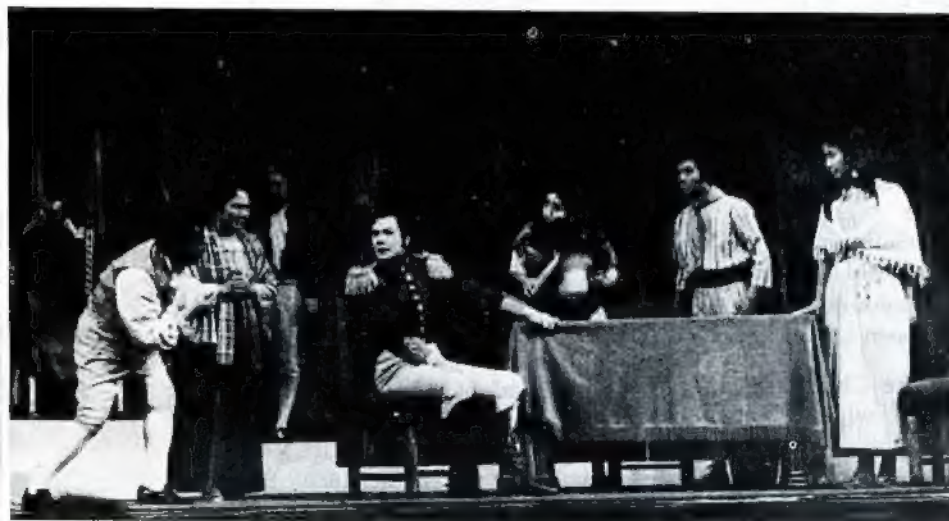
Among the foreign plays recently staged in Beijing are Shakespeare's *The Merchant of Venice* and *Macbeth*, Moliere's *L'Avare* and a contemporary Romanian play called *Fair Opinion*.

## MUSIC

**Violinist Hu Kun**

Seventeen-year-old Chinese violinist Hu Kun won fifth place at the Fourth Sibelius International Violin Competition held in Helsinki last December. Hu was the first Chinese artist to win a prize in an international violin competition.

At the competition in which 46 violinists from 19 countries took part, Hu Kun was widely acclaimed for his excellent performance of a violin concerto by Sibelius, the famous Finnish composer, and several



A scene from "Montserrat."



pieces of modern and contemporary music. Many people felt that the Chinese artist "had provided a strikingly new interpretation of these pieces." His performance "gave his audience a magnificent, fresh artistic conception of Sibelius' violin concertoes."

Hu Kun is a native of Sichuan Province. When he was a child, his parents who taught at a music conservatory discovered his musical talent and decided to train him in this



Violinist Hu Kun.

field. While he was just beginning to speak, he could move his body in time to the beat of music. At the age of 4 or 5, he could distinguish various feelings and sentiments expressed in music. He always clapped his hands in beat when he heard happy music, while sad music made him feel sorrowful. Today, the violinist still clearly remembers one day in his childhood when he was sitting in his room listening to a gramophone record of the second movement of Brahms' violin concerto played by his father. There was a fine drizzle outside. He felt that the whole world was very beautiful, with the music blending with the natural environment.

He began to learn the violin and piano at the age of 7. This required a great deal of courage because these two musical instruments were denounced as something "bourgeois"

in the chaos stirred up by Jiang Qing and company. Undaunted, his father was strict with him and urged him to make use of every minute of practice to improve.

At the insistence of his father, he gave his first violin performance as a shy, retiring boy of 9. Though accompanied on the piano by his mother, his performance was mediocre.

Four years later, he skilfully performed complex etudes composed by the famous violinist Paganini. His parents arranged for him to pursue advanced studies in Beijing, where he was taught by several famous artists in the Central Philharmonic Society who admired his talent. Soon he was enrolled into a song and dance troupe of the People's Liberation Army and became a professional violinist. The troupe showed great concern for him as well as several other young musicians. A group of three violinists helped him improve his skill, and new violin was made specially for him. An older colleague was asked to help him arrange his daily life and make progress ideologically.

He received regular musical training from a veteran musician of the Central Conservatory of Music. In addition to strict basic training, the musician also urged him to do extensive reading, recite poems, draw pictures and practise calligraphy, with the aim of gaining a better understanding of images and conceptions expressed in music.

In 1977, Hu Kun won a prize for his excellent performance of two pieces of Chinese music at a violin contest held by the P.L.A.

Now the prize-winner does not rest content with his at-

tainments. Soon after his return from Finland, he asked Minister of Culture for a chance to continue his studies.

## SPORTS NEWS

**Football.** In the final match of Group 4 of the World Cup Asian-Oceanian zone qualifying tournament, China emerged the victor by defeating the Democratic People's Republic of Korea 4:2 in Xianggang (Hongkong).

With this victory, China will meet the winners of the other three groups in another round of matches to contend for the right to represent the Asian-Oceanian zone in the World Cup final series to be played in Spain next year.

**Volleyball.** China captured the title in the 2nd Bremen Women's International Volleyball Tournament by four successive wins and without conceding a game. The tournament was held early this month in Bremen, West Germany. Cuba finished second, followed by West Germany, Brazil and Belgium in that order.

Prior to this, the Chinese women's team had beaten teams from Hungary, West Germany and Belgium as well as the Schwerte team, the national champion of West Germany and won the title in the Ninth Schwerte International Volleyball Tournament held in Hagen last December.

**Tennis.** Li Xinyi and Hu Na won the women's doubles of the third world youth and teenagers White House Cup Tournament held in Mexico City early this month.

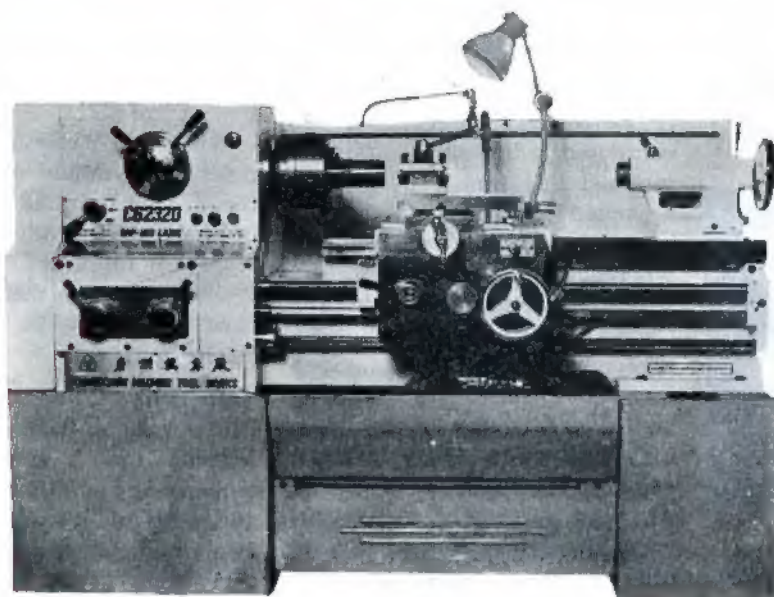
The Chinese players beat a Czechoslovak pair 2:1 in the finals.

Teams from 32 countries and regions took part in the tournament.



# C6232D

## GAP-BED LATHE



**Characteristics:** wide-range performance, large working specifications, high spindle speeds, low noise, fine precision, high rigidity, easy operation, beautiful shape, convenient maintenance. Available in Metric and Whitworth as well as in various voltages and cycles suitable for users.

**Products include:** Universal Lathes, other types of Gap-Bed Lathes, Semi-Automatic Multicut Chuck Lathes, Radical and Vertical Drilling Machines, Horizontal Boring Machines, Horizontal Surface Grinding Machines and Punch Presses. Quality guaranteed, training personnel and installation services provided, all types of fittings available.

**Orders  
Cordially  
Invited**

**GUANGZHOU INDUSTRIAL MACHINERY  
MANUFACTURING CORP.**

Address: 20, Xingang Road, Guangzhou  
Tel. 50326, 51374  
Cable Address: 9969